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**UNITED STATES DISTRICT COURT  
 DISTRICT OF NEVADA**

UNITED STATES OF AMERICA, et al.,

Plaintiffs,

v.

CREEKSIDE HOSPICE II, LLC, et al.,

Defendants,

AND ALL RELATED ACTIONS.

Case No.: 2:13-cv-00167-APG-PAL

**JOINT STATUS REPORT**

Plaintiffs United States of America, Joanne Cretney-Tsosie, and Veneta Lepera and Defendants Creekside Hospice II, LLC, Skilled Healthcare Group, Inc., and Skilled Healthcare, LLC (all hereinafter referred to as "Creekside"), submit the foregoing Joint Status Report pursuant to the Court's September 2, 2016 Order granting the parties' Joint Motion to Stay Action Until November 15, 2016. (Dkt. #162).

**I. Background and Status of Discovery**

This action is brought by the United States and Relators Joanne Cretney-Tsosie and Veneta Lepera under the False Claims Act against a hospice provider, Creekside Hospice, and its corporate parent, Skilled Healthcare. The gravamen of the action is that Creekside violated the False Claims

1 Act by knowingly submitting or causing the submission of false claims to Medicare for  
2 reimbursement for hospice services for patients who were ineligible for coverage in the time period  
3 2010 to 2013. These allegations are disputed and Creekside filed a motion to dismiss the action in  
4 August 2015 and that motion is pending. (Dkt. #98). Discovery commenced in June 2015 and is  
5 not completed by the parties. There is no Scheduling Order in this action. The parties' unresolved  
6 discovery disputes are set forth in Status Reports that were filed in September 2015. (Dkt. #111-  
7 13). A temporary stay against depositions of current and former employees was granted by the  
8 Court in September 2015, and no expert discovery has occurred. (Dkt. #114).

10 Throughout 2016, the United States and Creekside engaged in significant and productive  
11 discussions pertaining to settlement of the action. The parties filed a Joint Unopposed Motion to  
12 Stay Action for Ninety Days Pending Settlement Discussions on June 2, 2016 (Dkt. #159). The  
13 Court granted that Motion on June 15, 2016. (Dkt. #160). On September 1, 2016, the parties filed  
14 a joint Motion to Continue Stay until November 15, 2016 (Dkt. #161), which the court granted on  
15 September 2, 2016 (Dkt. #162).

## 17 **II. Settlement Agreement**

18 The United States and Creekside have reached an agreement in principle pertaining to  
19 settlement of the action. Due to the complexity of the settlement, which is a global agreement with  
20 Creekside's parent company that covers several matters in addition to this case, the parties need  
21 additional time to finalize the terms of the written agreement. The parties also need additional time  
22 to obtain the necessary approvals for the proposed settlement, including the approval of the  
23 Principal Deputy Assistant Attorney General for the Civil Division and the United States Attorney  
24 for the District of Nevada.

## 26 **III. Motion to Continue the Court's September 2, 2016 Order Staying this Action**

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1           The parties respectfully request that the Court continue its stay until January 6, 2017, in  
 2 order to give the parties time to obtain the necessary approvals for the proposed settlement and to  
 3 execute the agreement and submit dismissal papers to the Court. A stay will assure that the Court  
 4 does not engage in case activity unnecessarily and will reduce the burden and expense of the  
 5 litigation process for the parties. A Motion to Continue Stay Until January 6, 2017, and proposed  
 6 order accompanies this Joint Status Report.  
 7

8                     Dated: November 3, 2016

Respectfully submitted,

9                     *Counsel for Plaintiff*

10                    BENJAMIN C. MIZER  
 11                    Principal Deputy Assistant Attorney General  
 12                    DANIEL G. BOGDEN  
 13                    United States Attorney

14                    /s/ Roger Wenthe  
 15                    ROGER WENTHE  
 16                    Assistant United States Attorney

17                    MICHAEL D. GRANSTON  
 18                    RENÉE BROOKER  
 19                    JENELLE M. BEAVERS  
 20                    MICHAEL PODBERESKY  
 21                    Attorneys, Civil Division

22                    *Counsel for Defendants Creekside Hospice II,  
 23                    LLC, Creekside Home Care II, LLC, Skilled  
 24                    Healthcare Group, Inc. and Skilled Healthcare,  
 25                    LLC.*

26                    /s/ Kathleen McDermott  
 27                    Kathleen McDermott (*pro hac vice*)  
 28                    Attorney in Charge  
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By: /s/ Paul S. Padda  
Attorneys for Relator Veneta Lepera

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AND ALL RELATED ACTIONS.

Case No.: 2:13-cv-00167-APG-PAL

**JOINT MOTION TO CONTINUE STAY  
UNTIL JANUARY 6, 2017**

Plaintiffs United States of America, Joanne Cretney-Tsosie, and Veneta Lepera and Defendants Creekside Hospice II, LLC, Skilled Healthcare Group, Inc., and Skilled Healthcare, LLC (all hereinafter referred to as "Creekside"), jointly move to continue the stay in this action until January 6, 2017, based upon an agreement in principle between the United States and Creekside to settle this action. A stay will allow the parties to execute the agreement and file the necessary paperwork with the Court to dismiss the action. This stay will prevent additional burden on the Court and unnecessary burden and expense to the parties. All parties to the action consent to the request for a stay.

1           **WHEREFORE**, Plaintiffs United States of America, et al., and Defendants' Creekside  
2 Hospice, et al., move this Honorable Court to:

- 3           A.     Grant their Joint Motion to Continue Stay; and  
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5           B.     Enter an order staying this case in its entirety until January 6, 2017.

6  
7 Dated: November 3, 2016

Respectfully submitted,

8 *Counsel for Plaintiff*

9 **IT IS SO ORDERED.**

BENJAMIN C. MIZER  
Principal Deputy Assistant Attorney General  
DANIEL G. BOGDEN  
United States Attorney

10   
11 \_\_\_\_\_  
12 UNITED STATES DISTRICT JUDGE  
13 Dated: November 7, 2016.

\_\_\_\_\_  
14 /s/ Roger Wenthe  
15 ROGER WENTHE  
16 Assistant United States Attorney

17 MICHAEL D. GRANSTON  
18 RENÉE BROOKER  
19 JENELLE M. BEAVERS  
MICHAEL PODBERESKY  
Attorneys, Civil Division

20 *Counsel for Defendants Creekside Hospice II,  
21 LLC, Creekside Home Care II, LLC, Skilled  
22 Healthcare Group, Inc. and Skilled Healthcare,  
23 LLC.*

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24 /s/ Kathleen McDermott  
25 Kathleen McDermott (*pro hac vice*)  
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